



CITY OF DURHAM | NORTH CAROLINA

Date: October 29, 2015

To: Thomas J. Bonfield, City Manager
Through: Keith Chadwell, Deputy City Manager
From: Kevin Dick, Director – Office of Economic and Workforce Development (OEWD)

Subject: Update and Outline of FY16 Durham Station Request for Proposal Process

Executive Summary

This item describes an outline of the request for proposal process for the disposition of land adjacent to the Durham Station (Jackson Street Property).

Recommendation

None - this is for informational purposes only.

Background

The Office of Economic & Workforce Development has been facilitating a process for the release of the aforementioned request for proposals (RFP) during the course of FY16. This process has involved several departments and outside agencies. On September 10, OEWD presented a list of disposition alternatives to City Council including options that would allow for many development possibilities, including neighborhood commercial-only, mixed use residential & residential-only. The preferred option presented on that date was for a mixed-use development. Deliberations since that date have led to an updated list of possible options that are outlined herein.

Since September 10, we have taken the time to study what the various site elements and impediments are that would need to be considered by proposers, such as existing transit stops and those relationships to the property, existing surveys & plats, how buses currently circulate, necessary design elements, etc.

Also since that time, the deliberation process amongst departments and external agencies has been focused on how to design a review process that would allow the greatest breadth of opportunities for creativity and flexibility amongst proposers, while ensuring a review process that would be easy to implement given the potential submissions of proposals with diverse land uses.

Issues & Analysis

The RFP is anticipated to consist of three response options. Any of these options would be in concert with national best practices for transit-oriented development as well as one or more city objectives to promote the following land uses:

- Multi-family residential, including affordable housing
- Neighborhood commercial, including retail, professional services and eateries
- Structured Parking

These priorities have been contemplated in various Council-approved documents such as the Joint Economic Developmental Strategic Plan, the Downtown Durham Master Plan, the City-County Comprehensive Plan and the City Center Retail Market Analysis.

The proposed format would enable a proposer to choose from amongst the following three options (all options would include structured parking and neighborhood commercial elements):

- 1) An option that would include strictly affordable housing with various levels of tenant eligibility related to area median income. Such an option would likely cause a proposer to adhere to North Carolina Housing Finance Agency (NCHFA) guidelines and criteria, although this adherence may not necessarily be a requirement for responsiveness;
- 2) An option that would include mixed-income residential including a percentage of affordable units; adherence to NCHFA guidelines or criteria could also apply under the scenario, but not necessarily be a requirement for responsiveness.
- 3) An option that includes market rate and/or workforce housing.

Proposals in each category would be evaluated against the selection criteria that would generate the highest possible point totals for a particular category. Each category would have different scoring criteria and the review team would be sub-divided so that various members would review only certain types of proposals. There would be baseline scores and criteria such as the need to include structured parking and neighborhood commercial elements while displaying consideration and connectivity with Durham Station and other elements that emphasize basic tenets of transit-oriented development. The proposal(s) that scores highest in each category would be brought forward to City Council with a staff recommendation to select one proposal. The proposal RFP Timeline is attached.

It should be noted that the request for proposals would contain detailed information about site boundaries and constraints, as well as any restrictions that would need to be considered by a proposer. It should also be noted that the City would reserve the right to perform any third party analyses needed in order to verify any market assumptions that are represented by proposers related to the various land uses to be included in the proposal.

Alternatives

The Council could choose to not approve any or all of the options presented or choose to elect different options. The Council could also choose to elect a different timeline. The implication of either or both choices could impact flexibility and diversity of proposals as well as the time that staff has to develop a sound document that elicits timely, yet comprehensive responses from potential developers.

Attachment

Draft FY16 Durham Station Timeline